

Level 1
157 Grenfell Street
Adelaide SA 5000

G.P.O. Box 2155
Adelaide SA 5001



Adelaide Brighton Ltd
ACN 007 596 018
(Incorporated in South Australia)

Telephone (08) 8223 8000
International + 618 8223 8000
Facsimile (08) 8215 0030
www.adbri.com.au

22 December 1999

Dear noteholder

Notice to noteholders of Adelaide Brighton Ltd

On 9 November 1999, Adelaide Brighton Ltd advised the Australian Stock Exchange that its 55% majority shareholder, The Rugby Group PLC, had received a takeover bid from RMC Group p.l.c.

Subsequently, RMC Group p.l.c. has acquired a 29.89% interest in The Rugby Group PLC and as per the Conditions of Issue of convertible notes, we are required to provide this notice to all noteholders advising that RMC Group p.l.c. has (indirectly) acquired a "relevant interest" in Adelaide Brighton Ltd.

As a result of RMC Group p.l.c.'s acquisition of shares in The Rugby Group PLC, we are required to advise noteholders that they are entitled to convert all notes held by them. The conversion ratio is one share for each note converted. If you wish to convert, written notice to Adelaide Brighton Ltd at the address shown above must be given within 31 days of this notice.

This is not a recommendation that you should convert your notes to shares, but merely a notice pursuant to Condition 7.1(a) of the Conditions of Issue of the notes. The relevant closing price on the Australian Stock Exchange on 21 December 1999 for Adelaide Brighton Ltd securities was 71 cents for shares and \$2.01 for the convertible unsecured notes. If you are in doubt as to whether you should convert, we suggest you seek independent financial advice.

If there is any further information you require, please contact Ms Luba Przedworski on 08 8223 8005.

Yours sincerely,

C J Foll
Company Secretary